AMENDED IN SENATE JANUARY 14, 2008

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 983

Introduced by Assembly Member Ma

February 22, 2007

An act to add Section 12025 to the Government Code, relating to the Governor's Budget. An act to amend Section 1104 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 983, as amended, Ma. Governor's Budget: services contracts. *Public contracts: plans and specifications*.

Existing law contains various provisions relating to the bidding process for public works projects. Existing law prohibits a local public entity, charter city, or charter county from requiring a bidder to assume responsibility for the completeness and accuracy of architectural or engineering plans and specifications on public works projects, except on clearly designated design-build projects.

This bill would provide that there is an implied warranty of the accuracy and completeness of the plans and specifications provided to the contractor by the public entity, charter city, or charter county. This bill would further provide that these provisions shall not be construed to require a contractor to prove an affirmative or intentional misrepresentation or active concealment on the part of the public entity, charter city, or charter county that provides the plans and specifications.

Existing law requires the Governor to annually issue a report to the public on the expenditures for support of his or her office, and to submit a budget to the Legislature within the first 10 days of each regular session that includes, among other things, a complete plan and itemized

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statement of all proposed expenditures of the state and of all estimated revenues.

This bill would require the Governor to submit with the budget a report that contains specified information regarding current and proposed contracts for services in the amount of \$5,000 or more.

Vote: majority. Appropriation: no. Fiscal committee: yes no. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 1104 of the Public Contract Code is 2 amended to read:

1104. (a) No local public entity, charter city, or charter county shall require a bidder to assume responsibility for the completeness and accuracy of architectural or engineering plans and specifications on public works projects, except on clearly designated design build projects. Nothing in this section shall be construed to prohibit a local public entity, charter city, or charter county from requiring a bidder to review architectural or engineering plans and specifications prior to submission of a bid, and report any errors and omissions noted by the contractor to the architect or owner. The review by the contractor shall be confined to the contractor's capacity as a contractor, and not as a licensed design professional.

(b) When plans and specifications are provided by a public entity, charter city, or charter county, there is an implied warranty of the accuracy and completeness of those plans and specifications. Nothing in this section shall be construed to require a contractor to prove an affirmative or intentional misrepresentation or active concealment on the part of the public entity, charter city, or charter county that provides the plans and specifications.

SECTION 1. Section 12025 is added to the Government Code. to read:

12025. (a) Notwithstanding Section 7550.5, the Governor shall submit to the Legislature with the Governor's Budget a report that contains the following information regarding current and proposed contracts for services in the amount of five thousand dollars (\$5,000) or more:

(1) A description of the contract and the services being purchased.

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(2) The name of the agency contracting for the services.

- (3) The name of the contractor and any subcontractors.
- (4) The effective date and expiration date of the contract.
- (5) The annual amounts paid under the contract, by funding source, to the contractor in past fiscal years and in the current fiscal year.
- (6) The annual amount, by funding source, proposed to be paid to the contractor under the Governor's Budget.
- (7) The amount, by funding source, projected to be paid to the contractor in the fiscal years covered by the contract beyond the fiscal year addressed in the Governor's Budget.
- (8) The total projected cost of the contract, by funding source, for all fiscal years during which the contract will be in effect.
 - (9) Whether the contract was a sole source procurement.
- (b) The information required by subdivision (a) shall be presented in the report by agency or comparable budget category.
- (c) The report shall provide the total cost of contracting for services for each fund and agency or comparable budget category.
- (d) The information required by this section shall be made available to the public by posting it on the State of California Web site in a format that allows for searching and sorting by the eategories listed in subdivision (a).
- (e) For purposes of this section, "proposed contract" means any contract that is proposed to be let in the 12-month budget period.